

## **FISCAL UPDATE News Article**

Fiscal Services Division
August 5, 2015



## NEW MAXIMUM SECURITY PRISON OPENS AT FORT MADISON

**Transfer.** The Department of Corrections (DOC) transferred 507 maximum security inmates from the old Fort Madison prison to the new Fort Madison prison on August 1, 2015. The movement of prisoners was coordinated with State and local government agencies, including but not limited to the Department of Public Safety (Iowa State Patrol, State Fire Marshal's Office, Division of Criminal Investigation), Fort Madison Police Department, Lee County Sheriff's Office, Department of Natural Resources, Department of Transportation, Illinois state and local law enforcement, and the Illinois Department of Corrections.

**Background.** Two offenders escaped from the maximum-security section of the Iowa State Penitentiary in 2005. The offenders were later captured in Illinois and Missouri. The escape prompted the General Assembly to appropriate \$500,000 per year in FY 2007 and FY 2008 from the Rebuild Iowa Infrastructure Fund (RIIF) for a systemic study of the corrections system, including physical structures, staffing, treatment needs, and the prison population forecasting model. The new 800-bed maximum security prison was authorized by the General Assembly during the 2008 Legislative Session. See the *Issue Review* Corrections Construction and Capacity dated October 2010 for additional background information.

**Construction Costs.** Total project costs are estimated to be approximately \$168.6 million from a variety of funding sources. Construction costs will be finalized once all construction is completed at Fort Madison and Mitchellville, and project management costs are assigned between the two prisons. Click <a href="here">here</a> for a memo of responses to the <a href="House Government Oversight Committee">House Government Oversight Committee</a> from the DOC regarding costs, contractors, and construction issues.

**Prison Capacity.** The new 800-bed prison has 634 general population beds and 166 segregation/other beds. The DOC increased official statewide prison capacity to 7,322 beds on August 3, 2015. This reflects the closure of the old beds (588 general population beds) and the opening of the new beds (634 general population beds) at Fort Madison. Refer to the DOC webpage for information on types of beds and the prison population at all adult prison facilities.

State Appeal Board Action. The State Appeal Board approved a settlement between the Walsh Construction Company and the Department of Administrative Services (DAS) and the DOC related to the construction of the new prison. The company served as the general contractor on the construction project and the total contract was approximately \$123.5 million. Walsh Construction Company submitted a Request for Equitable Adjustment (REA) to the contract of approximately \$18.2 million. A professional mediator was hired. The settlement of \$7.0 million was paid from the State General Fund under lowa Code chapter 25. This amount is in addition to the \$123.5 million contract. For additional information regarding claims related to the Walsh Construction Company, see the FISCAL UPDATE News Articles for the State Appeal Board for May, June, and July 2015.

**Operating Budget.** The FY 2016 General Fund appropriation to the DOC to operate the Fort Madison Correctional Facility is approximately \$43.8 million and 441.0 FTE positions. This budget includes the 160-bed minimum security John Bennett Unit located at the old prison. The DOC did not receive a specific increase in its operating budget for the new prison.

STAFF CONTACT: Beth Lenstra (515-281-6301) beth.lenstra@legis.iowa.gov